

Arnold Engineering Development Center

*Researching, Developing, and Testing America's
Aerospace Technology*



Stakeholders Conference Results

Arnold AFB TN

15 April 2002

***I n t e g r i t y - S e r v i c e - E x c e l l e n
c e***



28 Feb 02 Stakeholders Conference



AEDC

Agenda

Introduction

Agenda

Schedule

Mission

Business Model

Stakeholders Meeting

RFI

Tour

CC Initiative - let's get our customers' ideas on how we can ...

- **Be a better supplier of RDT&E services ... provide increased stakeholder value**
- **Provide more effective, productive and efficient operations**
- **Foster a new level of information sharing and interdependence**

Shape our Acquisition Strategy



Attendees

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Government

- **ASC/LP**
- **ICBM Program Office**
- **MDA/TE**
- **NAVAIR**
- **OC-ALC/LR**
- **Seek Eagle Office**
- **THAAD Program Office**

Industry

- **Boeing**
- **GE Aircraft**
- **Lockheed Martin**
- **Northrop Grumman**
- **Pratt & Whitney (Aircraft and Space Divisions)**
- **Space Systems Loral**
- **TRW Space & Elec Gp**

Broad Government and Industry Participation



The Questions We Asked



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- **What's changing in your business that we should consider?**
- **What services or capabilities do we need to change or improve?**
- **What management tactics, techniques, and procedures work for you and your thoughts on how they might work at AEDC?**
- **What are your ideas on increased information sharing and enhanced cooperation?**
- **How can we ensure continued trust in AEDC if we open up our Organizational Conflict of Interest (OCI) provision?**
- **What should we be emphasizing in this competition that will enable us to be a better T&E provider?**



AEDC

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What is changing in your business?

- **Future test requirements uncertain**
- **Business is evolving and AEDC needs to be responsive and accommodate change**
 - **Partnering arrangements**
 - **Foreign customer (representative) access**
- **Government's role is to maintain, at an affordable price, national unique infrastructure**
- **Space launch is becoming a commodity service**
- **Exploit hypersonic technologies**



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What services/capabilities should we improve

- **Real-time access to information**
 - Test data
 - Facility status and readiness
 - Cost information
- **Single face for interfacing**
- **Schedule on demand ...** *"I want you when I need you"*
- **Facility reliability**
- **Faster reconciliation of billings**
- **AEDC uses too much LN2**



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What management tactics, techniques, and procedures work for you ?

- **Identify your core competency and stick to it**
- **Outsource specific or unique capabilities and expertise**
 - **Develop surge capabilities versus permanent staff**
- **Proper incentives ...increased profit potential for objective achievement**
 - **Reliable measurement system**
- **Standard control rooms and instrumentation**
- **Use of earned value management system**
- **Use of Six Sigma improvement methodology**



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What are your ideas on increased information sharing and enhanced cooperation ?

- **More integration with other test centers**
- **Virtual presence (on line access and real-time data)**
- **Increase integration of models and test data**
- **Joint decision making**
 - **With other government agencies and industry**
 - **Investment and infrastructure planning**
 - **Technology investments**



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How can we ensure continued trust in AEDC if we open up our Organizational Conflict of Interest (OCI) provision?

- **Industry competes and partners routinely**
- **No concerns with aerospace related companies operating AEDC**
- **Develop and manage adequate safeguards**
 - **Non-disclosure/proprietary agreements**



AEDC

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What should we be emphasizing in this competition?

- **Ability to accommodate and manage change**
 - **Capability to measure improvements and productivity**
- **Cost reduction ...Price is still the bottom line**
 - **Incentives for true cost savings ...accountability for results**
 - **Retain expertise and capability**
- **Lean principles ... AEDC is process heavy**
 - **Extensive pre-test and post-test activity (e.g.)**
- **Retention of expertise and ability to advance technology**
- **Clear delineation of government and contractor responsibilities**



Results Summary

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- **Business is evolving and AEDC needs to change**
 - Rightsize while retaining core expertise and capability
 - Continue integration with other test centers
 - Reduce cost . . . *"Price is the bottom line"*
- **Restrictive Organizational Conflict of Interest (OCI) provision not required**
 - Define and manage safeguards
 - Fosters increased competition . . . more innovation
- **Good . . . action**

Mandate for Change



Today's Agenda



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- **AEDC Overview**
0810

- **Stakeholders Conference Results**
0835

Review Request for Information (RFI)
0855

- **Break/Prepare for Tour Departure**
0910

- **Tour AEDC Mission Area**
0930

- **Lunch**
1100